

**For:** County Offices

**1943-A**

## LENDER NOTIFICATION ON BRIDGE LOANS

Approved by: State Executive Director



### 1 OVERVIEW

*A*

#### **Background**

The Farm Security & Rural Investment Act of 2002 allows refinancing of a temporary bridge loan as an authorized loan purpose under certain conditions.

*B*

#### **Purpose**

This notice provides a letter to be used to notify the lender, who is financing a bridge loan, that a FSA loan has been approved subject to funding. It also advises them there is no guarantee that FSA will pay off the bridge loan.

*C*

#### **Contact**

If there are any questions concerning this Notice, County Offices shall contact Vickie Harmon, Farm Loan Programs Branch at (405) 742-1055.

*D*

#### **Filing Instructions**

A copy should also be filed preceding FmHA Instruction 1943-A.

#### **Disposal**

Indefinite

09-10-2002

#### **Distribution**

Farm Loan Programs Teams, County Offices,  
DDs, CORs

## OK Notice FLP-364

Exhibit A

Lending Institution  
Street Address  
City, State Zip Code

Dear Sir or Madam:

We have been advised that your lending institution intends to make a bridge loan to (Insert Applicant Name), for the purchase of real estate.

Farm Service Agency has approved, subject to funding, a direct farm ownership loan, for the purchase of real state, for (Insert Applicant Name), in the amount of (Insert Loan Amount). Please be advised that refinancing of a bridge loan is **not** guaranteed. Also, (Insert Applicant Name), will be responsible to pay all interest that accrues on the bridge loan from the date of closing to the date the bridge loan is refinanced. In the event that the FSA loan is not funded or the applicant fails to meet all loan conditions, it is the applicant's sole responsibility for repayment of any loan to your institution. Under no circumstances will interest on the bridge loan be paid from FSA loan proceeds.

If additional information is needed, please advise.

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Farm Loan Manager